



Director

Department of the Treasury
Bureau of Alcohol, Tobacco and Firearms
Washington, DC 20226

May 24, 2002

CC-70,688 AT:JRL

MEMORANDUM TO: Delegates to the International
Conference on Illicit Tobacco Trade

FROM: Director

SUBJECT: International Conference on Illicit
Tobacco Trade

In 1999 the 191 member states of the World Health Organization (WHO) launched a process to address "the spectacular rise and spread of tobacco consumption around the world" through the negotiation of the Framework Convention on Tobacco Control (FCTC). Four sessions of the FCTC Intergovernmental Negotiating Body (INB) have been held since October 2000, and the next session is scheduled for October 14 through October 25, 2002, in Geneva, Switzerland.

The aim of the FCTC negotiation process is to produce a broad Framework Convention that will cover all issues concerning tobacco control in general terms and issue-specific treaties (or protocols) that focus on individual elements of tobacco control. Illicit tobacco trade is one of the issues that may be addressed by the Framework Convention and may also be the subject of a protocol.

In order to assist the FCTC process, the United States is hosting the International Conference on Illicit Tobacco Trade (ICITT) to be held at the United Nations in New York City from July 30 to August 1, 2002. The

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ICITT will expand the expertise brought to the FCTC process by encouraging States to bring delegates that represent their nations' revenue, customs, and law enforcement departments. Through these experts, the ICITT will develop solid approaches, ideas, recommendations on effective measures or "best practices" to address illicit tobacco trade, including illicit manufacturing.

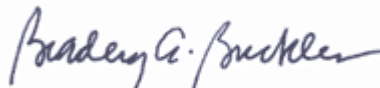
To facilitate the discussions at the ICITT, the United States has prepared a "White Paper" (Attached). The White Paper is intended to assist the discussions of the ICITT agenda items, but is not meant to exclude other possible topics from being discussed at the conference. Also attached to assist the proceedings is FCTC text on illicit tobacco trade that is being discussed at the formal FCTC negotiations, "Co-Chairs' working papers," A/FCTC/INB4/2(a) Amend. 1, March 22, 2002 and "Compilation of draft technical annexes," A/FCTC/INB4/INF.DOC./1, March 6, 2002, at annex 2) and definitions that have been informally considered during the FCTC process. (See, "Compilation of terms and definitions," A/FCTC/INB3/INF.DOC./1 (November 13, 2001). It should be recalled that it was decided at INB4 that a new consolidated Chair's text from INB4 addressing, *inter alia*, the issues related to illicit trade of tobacco is to be released mid-July 2002 by the Chair of the Negotiating Body, Ambassador Luiz Felipe de Sexias Correa.

At the conclusion of the ICITT, the ICITT Chair with assistance of the conference Secretariat will draft a report to be delivered to the FCTC Intergovernmental Negotiating Body at the October 2002, negotiation session. The report will reflect the views expressed at the ICITT and will contain recommendations adopted at this consultation with respect to measures or "best practices" that are effective in combating and eliminating the illicit trade of cigarettes and other tobacco products, as well as providing a list of

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associated definitions. The report may also contain a compilation of the answers to the survey on illicit tobacco trade that was provided in the invitations to the ICITT. However, the report will not differentiate between the Framework Convention and a protocol, because the timing of and the need for the latter have not yet been resolved.

Of equal importance, the ICITT will enable government officials with revenue and tax administration, customs and other law enforcement experience to establish or enhance partnerships and coalitions. This will facilitate opportunities for information exchanges, training, and technical assistance and may provide the impetus for an informal group that will meet periodically to discuss issues related to illicit tobacco trade.

A handwritten signature in dark ink, appearing to read "Bradley A. Buckles". The signature is fluid and cursive, with a long horizontal stroke at the end.

Bradley A. Buckles

Attachments